UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

12

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/679,186	10/03/2000	Jay S. Walker	00-033	7415

22927 7590 04/09/2007

WALKER DIGITAL MANAGEMENT, LLC
2 HIGH RIDGE PARK
STAMFORD, CT 06905

EXAMINER	
BANTA, TRAVIS R	
ART UNIT	PAPER NUMBER
3714	

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	04/09/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No.	Applicant(s)	
	09/679,186	WALKER ET AL.	
	Examiner	Art Unit	
	Travis R. Banta	3714	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *24 October 2006*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *40-74* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *40-74* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Response to Amendment

The amendments and remarks received 10/24/2006 are acknowledged. Claims 40-74 are pending. Please note bolded rejections below necessitated by amendment.

Claim Rejections - 35 USC § 112

Claims 40, 69, 70,73, 74 rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. The amendment to these claims states "receiving from the player an indication, after receiving the total payout amount information...". The specification teaches in many places that embodiments have been conceived of that allow the device to receive a player selection of an item before the total payout amount is received (see page 3 lines 20-23, 30-33, page 4 lines 3-7, 8-11, 16-20, 21-24, page 5 lines 4-7, 8-12, page 8 lines 18-26, page 10 lines 24-32 in reference to Figure 1). The example provided in page 13 of the specification shows an example of a player device receiving a total game outcome amount unbeknownst to the player prior to the player's indication of a preferred item. Total payout amount as defined in the specification on page 8 lines 4-5 is defined as "The total money a player wins with respect to a total number of events". The claims have been examined using this definition of "total payout amount". The total payout amount is necessarily not received until at least after the player has made a selection because the player must

make a selection of a preferred item before a decision of a win or a loss is made by the machine. For example, a player buys 5 tickets with determined outcomes $0, $2, $6, $0 and $0. The player selects a book worth $10. After the selection is made, the machine or merchant will decide whether $10 is sufficient for the purchase of a book. It may or may not be. If it is, the total payout amount is the $10 book. If it is not, the total payout amount is $0 or $8 depending on the embodiment. It is therefore impossible to determine a total payout amount before a player makes a selection of a preferred item according to the disclosure because the total payout amount (or value of the win) is unknown until the player makes a selection.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 40-74 are rejected under 35 U.S.C. 103(a) as being unpatentable over Schneier et al. (5,871,398) in view of Nguyen (6,857,959).

Referring to claims 40, 69, 70, 73, and 74, Schneier et al. teaches a gaming system and method (or medium storing instructions adapted to be executed by a processor to perform the method) comprising: a processor; and a storage device in communication with said processor and storing instructions (15:54-16:4) adapted to be executed by said processor to receive from a device information regarding a total payout amount of

electronic scratch-off lottery tickets stored on the device, wherein the total payout amount has not been disclosed to the player (5:55-6:20; 11:23-32; 16:35-40). Schneier et al. does not explicitly teach receiving from a player an indication of an item that the player is interested in wining; determine a value of the item; and arrange for the player to receive the item based on whether the total payout amount is within a defined range of the value of the item. Nguyen, However, discloses a gaming machine having a memory storing a list of one or more prizes, a prize display for viewing prize Information, a prize selection mechanism that allows a user playing a game on the gaming machine to indicate of an item that the player is interested in wining (1:5-10; 3:29-35); determine a value of the item (4:35-47); and arrange for the player to receive the item based on whether the total payout amount is within a defined range of the value of the item (12:20-33, Fig.7). Nguyen further suggests the gaming machine may be utilized for a lottery game (3:37). It would have been obvious to a person of ordinary skill in the art at the time the invention was made to combine the lottery system of Schneier et al. with the prize selection gaming system of Nguyen to **increase revenues and player interest by providing players** with a gaming system that allows the player to select the prizes that may be won where the odds of winning the prize are a function of the prize selected.

Further with respect to the amendment to claims 40, 69, 70, 73, 74, Nguyen teaches that total payout amounts (prizes) are provided to the player before a player can select a preferred prize based on the outcome of the game (See column 6 lines 60-64). The total payout amount has not been disclosed to the player because the player

has not yet selected the total payout amount (a prize). Please also see the above rejection of these claims under 35 U.S.C. 112 for the interpretation of the amended element "after receiving the total payout amount information and wherein the total payout amount has not been disclosed to the player".

Referring to claim 41 Nguyen teaches the item comprises a product (e.g., merchandise)(4:23-25).

Referring to claims 42 and 72 Nguyen teaches receiving from a player device (3:46-50).

Referring to claim 43 Nguyen teaches receiving from a device is performed via a gaming device (3:46-50).

Referring to claims 44 and 45 Nguyen teaches the indication includes an item identifier (e.g., prize information)(3:46-50) or player-selected item price (e.g., player selecting shopping sprees or cash)(3:65-66).

Referring to claim 46 Nguyen teaches the information regarding a total payout amount includes a probability of the player receiving the item (e.g., odd of winning p rize)(8:61-9:12).

Referring to claims 47-49, Schneier et al. teaches the information regarding a total payout amount includes a player identifier (4:47-5:18), a game event identifier (4:47-5:18), and a pre-stored outcome (6:8-15).

Referring to claim 50 Nguyen teaches displaying a list of available items to the player and wherein receiving the indication of the item includes receiving a selection from the list of available items (3:46-51; 4:8-47).

Referring to claim 51, wherein in response to the received indication, offering to provide a substitute item to the player, and wherein arranging includes arranging for the player to receive the substitute item based on whether the total payout amount is within a defined range of the value of the substitute item, it is notoriously well known to provide a substitute product or item to a person when the requested item is not available or out of stock and/or the substitute item is similar but cheaper in price.

Referring to claim 52 wherein receiving the indication of the item includes receiving an indication that the player is interested in purchasing the item, this limitation is notoriously well known in gaming redemption which exchanges winning credit/outcome for the item or purchasing the item using game credits.

Referring to claim 53 Nguyen teaches charging the player a fee to play the electronic lottery game to win the indicated item (8:14-60).

Referring to claim 54, Schneier et al. further teaches the electronic scratch-off lottery tickets are associated with a lottery provider (5:56-6:20). Schneier et al. does not explicitly teach arranging for the player to receive the item includes arranging for the player to receive the item from a retail store where the item is offered for sale. Nguyen, however, teaches arranging for the player to receive the item includes arranging for the player to receive the item from a retail store where the item is offered for sale (14:63-66). It would have been obvious to combine Nguyen's teaching of utilizing retail stores as a prize supplier to the lottery system of Schneier et al. simplify the prize fulfillment process at the lottery center and provide faster delivery of the product to the winners.

Referring to claim 56, wherein the indication of the item comprises an item cost, this

limitation is inherent from Nguyen's teaching of the prize includes cash, i.e., $1000 (Fig.2).

Referring to claim 57, Nguyen teaches arranging for the player to receive the item is further based on information associated with the player (e.g., winning status)(12:17-19).

Referring to claim 58, Nguyen teaches transmitting a transaction request, including the total payout amount, to a merchant device (e.g., fulfillment center); and receiving a transaction response from the merchant device, wherein arranging for the player to receive the item is further based on the transaction response (14:55-15:2).

Referring to claim 59, wherein arranging for the player to receive the item further comprises converting the total payout amount to an alternate currency associated with a merchant, it is notoriously obvious to exchange or redeem wining lottery ticket at a retailer wherein the winning ticket's value is converted to equivalent cash or currency at the store, e.g., a person bought a scratch-off lottery ticket at a store and won $10, he then cashed out the ticket at the store for $10.

Referring to claim 55 wherein a seller arranges for the item to be provided to the player in exchange for payment of an amount based on a difference between the total payout amount and the value of the item, it is obvious to a person of ordinary skill in the art to exchange or redeem wining lottery ticket at a retailer wherein the winning ticket's value is converted to equivalent cash or currency at the store and buying an item, e.g., a person bought a scratch-off lottery ticket at a store and won $10, he then cashed out the ticket at the store for $10, he further bought a $12 hat, the person would pay $2 more.

Referring to claim 67, wherein the method further comprising: determining an excess payout amount; and arranging for the excess payout amount to be provided to at the player, similar to the obviousness pointed to claims 55 and 59 above, this limitation is obvious to a person of ordinary skill in the art to exchange or redeem wining lottery ticket at a retailer wherein the winning ticket's value is converted to equivalent cash or currency at the store and buying an item, e.g., a person bought a scratch-off lottery ticket at a store and won $10, he then cashed out the ticket at the store for $10, he further bought a $2 candy bar, the store clerk would give the person $8 in change.

Referring to claim 60, Nguyen teaches arranging for the player to receive the item further comprises: based on the indication of the item, adjusting information associated with a game event in accordance with a conversion table, e.g., the game machine selects the appropriate pay table for the prize or prizes selected (12:1-19).

Referring to claims 61 and 62, Nguyen teaches arranging for the player to receive the item comprises transmitting information enabling the item to be delivered to the player; and transmitting information enabling the player to take possession of the item (14:55-15:2).

Referring to claim 63, Schneier et al. teaches the information regarding the total payout amount and/or an outcome associated with a game event are not displayed to the player (5:55-6:20; 11:23-32; 16:35-40).

Referring to claims 64 and 65, Nguyen teaches determining an event wager amount; and displaying to the player a required wager amount (8:14-26).

Referring to claim 66, Nguyen teaches the item is provided to the player by a merchant (e.g., vendor)(14:61-66). Regarding the limitation of arranging for the merchant to receive payment in exchange for providing the item to the player, this is inherent from Nguyen's teaching of the prize fulfillment center orders the computer from a vendor and have it shipped to the player (14:61-66).

Referring to claim 68, Nguyen teaches information associated with the item is incorporated into play of a game associated with the total payout amount (8:14-26).

Referring to claim 71, Schneier et al. teaches the storage device further stores an player outcome database and/or a provider outcome database (7:2-26).

Referring to claim 72, Schneier et al. teaches a communication device coupled to the processor and adapted to communicate with a seller device (11:57-12:7, Figs. 4 and

Response to Arguments

The Applicants have argued that Nguyen does not cure the deficiencies of Schneier. The Examiner respectfully disagrees. The Applicants essentially argue specifically that Nguyen teaches the prize selection process before game play and this teaches away from the instant invention. While it is true that a player may select a prize before a game in some embodiments disclosed by Nguyen, Nguyen has also disclosed that the prize selection can be made after the outcome of the game (see column 6 lines 60-64 for example). Since the instant invention defines the term "total payout amount" as essentially a winning outcome (see rejection of claims 40, 69, 70, 73, 74 under 35 U.S.C. 112 above) and Ngyuen teaches the prize selection may be made after a win

(also a feature well known in the art), the amendment to claims 40, 69, 70, 73, and 74 are deemed to not patentably distinguish the instant application from Nguyen.

The Applicants have also argued that the combination of Schneier and Nguyen is improper because there is no suggestion or motivation to combine the references. The Examiner respectfully disagrees. As per suggestion to combine, the Applicant has asserted one skilled in the art would not consider Nguyen to solve the problem addressed by Nguyen. This may or may not be true but is not essential to the combination. The combination of Schneier and Nguyen is an offline lottery using tickets to essentially win prizes of the player's choosing. This is a slight modification on well known scratch off lottery tickets in that scratch off lottery tickets generally do not have a player selectable reward after the ticket is purchased. Nguyen suggests his invention may be applied to a lottery game as pointed out by the Applicants. This provides motivation to combine with any lottery system including an offline lottery system as disclosed by Schneier to increase revenues and player interest by providing players with a gaming system that allows the player to select the prizes that may be won where the odds of winning the prize are a function of the prize selected..

The Applicants have also argued that the combination of Schneier and Nguyen is not the instant invention. This may or not be true. The combination is however deemed to read on the references as described herein based upon the instant specification, and claims as presently constituted and is therefore rejected in this Office Action. The amendment as described above under the rejections of the claims under 35 U.S.C. 112 and 35 U.S.C. 103(a) has not patentably distinguished the instant invention.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Travis R. Banta whose telephone number is (571) 272-1615. The examiner can normally be reached on Monday-Friday 9-4.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Bob Pezzuto can be reached on (571) 272-6996. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

TB

Ronald Laneau
Primary Examiner
3/30/07